

PROCEEDINGS OF THE LAFAYETTE PUBLIC UTILITIES AUTHORITY OF THE CITY-PARISH OF LAFAYETTE, STATE OF LOUISIANA, TAKEN AT A REGULAR MEETING OF DECEMBER 3, 2002.

ATTENDANCE

COUNCIL: Jerry Trumps, (Chair), Louis C. Benjamin, Jr., Marc Mouton, Rob Stevenson

ABSENT: Chris Williams

COUNCIL STAFF: Norma Dugas (Clerk), Veronica Williams, (Assistant Clerk), Anne Patin (Senior Administrative Assistant)

ADMINISTRATIVE STAFF: Terry Huval (Utilities Director)

COMMENCEMENT

(TAPE 1)(SIDE A)(000) AGENDA ITEM NO. 1: Call to order.

Chair Jerry Trumps called the Lafayette Public Utilities Authority Meeting of December 3, 2002 to order.

EXECUTIVE/PRESIDENT’S REPORT

(TAPE 1)(SIDE A)(001) AGENDA ITEM NO. 2: President’s Report.

No report.

(TAPE 1)(SIDE A)(003) AGENDA ITEM NO. 3: LUS Director’s Report.

LUS Director Terry Huval

- informed the LPUA of the availability of small generating units (45 megawatt combustion unit that uses a jet engine) at a very low price. These units are made for quick-start and quick-stop. Units that would normally cost \$16,000,000 a piece for a 45 megawatt unit are going for \$10,000,000 a piece. The benefit to that is the units currently used take 12 to 18 hours to get started (i.e., during Hurricane Lili it took approximately 18 to 20 hours to get the generator rolling because when the lights went out the generator stopped). Advantages to the jet engine are 1) would allow generation in 20 minutes; 2) gives LUS the flexibility to maximize the coal generation; and 3) to meet the load needs of the customers at the efficiency that’s better than the generating units on line today. He requested that the Council free up cash to purchase 4 units and issue bonds to pay for the rest of the capital programs.

Upon questioning by Mouton, Huval stated that the cost is \$16,000,000 in the normal market and about \$10,000,000 today. Installation cost would be around \$18,000,000 and by buying multiple units and installing them at the same time (there is also a competitive market for the labor to install) might be able to take advantage of economy of scale. He estimated about \$80,000,000 to \$100,000,000 for four.

Huval then stated that he would probably come back to the LPUA with a plan after January 1, 2003. The owners would be either LPUA or LPPA; however, it may not have the type of debt service needed for LPPA.

- informed of his attendance at the Citizens Advisory Committee of the Department of Traffic and Transportation. One issue of discussion was underground utilities vs. overhead utilities, i.e., power lines along Johnston Street. Huval explained when Lafayette annexes into the City underground facilities are required to serve new developments whether commercial or residential. As the City expanded, there may have been some developments served by overhead facilities because they were out of the City at that time and it was acceptable. Huval indicated to them that it’s an issue of “Who pays for the cost”? Should it be the customer who receives property improvements or should it be something the utility system pays that all customers pay through increased rates? He estimated that it would cost approximately \$300,000,000 to place all lines along Johnston Street underground.

Councilmember Benjamin then requested a briefing be called to discuss the Market-alignment Pay Plan for Utility employees. Huval recommended looking at those positions that are critical in operating the utility system, where LUS has had a hard time being about to fill vacancies And come back in a briefing-type setup to discuss it and come up with something that will work in the long run.

ORDINANCES FOR FINAL ADOPTION

(TAPE 1)(SIDE A)(414) AGENDA ITEM NO. 4: O-042-2002(LPUA) An ordinance of the Lafayette Public Utilities Authority providing for the abandonment of a portion of Miguel Drive, motion to adopt as amended (amendment being to add to the first Whereas, . . . *revised August 27, 2002, revised November 22, 2002. . .*), by Stevenson, seconded by Benjamin, and the vote was as follows:

YEAS: Benjamin, Trumps, Mouton, Stevenson

NAYS: None

ABSENT: Williams

RECUSED: None

Motion was unanimously approved.

Benoit recommended the following amendment: to add to the first Whereas, . . . *revised August 27, 2002, revised November 22, 2002. . .* The amendment was accepted by the maker and second.

(TAPE 1)(SIDE A)(425) AGENDA ITEM NO. 5: O-043-2002(LPUA) An ordinance of the Lafayette Public Utilities Authority providing for the abandonment of a utility easement on the property of United Diesel, L.L.C. and Mid State Properties, L. L. C, having a municipal address of 814 Eraste Landry Road, motion to adopt by Mouton, seconded by Stevenson, and the vote was as follows:

YEAS: Benjamin, Trumps, Mouton, Stevenson,

NAYS: None

ABSENT: Williams

RECUSED: None

Motion was unanimously approved.

Upon questioning by Stevenson, Huval stated that the ordinance itself does require that all utility relocations be done at the expense of the applicants.

COMMENTS FROM THE PUBLIC

(TAPE 1)(SIDE A)(444) AGENDA ITEM NO. 6: Comments from the public on other matters.

No speakers.

ADJOURN

(TAPE 1)(SIDE A)(445) There being no further business to come before the LPUA, Chair Trumps declared the Regular LPUA Meeting adjourned.

NORMA A. DUGAS
CLERK OF THE COUNCIL